Acquisition Reform Success Story



Commercial Item Descriptions (CIDs)

Program Manager: Automatic Test Systems Division, SA-ALC

Program Description

The Automatic Test Systems Division of the Aerospace Equipment Directorate at SA-ALC has led an ongoing effort to convert military specifications and standards to Commercial Item Descriptions (CIDs) for the purchase of test equipment.

How Streamlining Made a Difference

Over the past several years, over 200 CIDs have been developed to promote competition among commercial sources to meet the government's need for quality test equipment at the lowest price. The competition advocate has been citing cost saving generated by using CIDs as proof of the effectiveness of competition. In one example, a CID was used to procure a general purpose oscilloscope. The winning bid was discounted 55% from the catalog price and even included the 5 year warranty. The price was so good that other services bought the item through SA-ALC. Eventually, buys totaling of over 9,000 units and cost saving of \$12M resulted. In a second case, a CID was used to purchase a spectrum analyzer that previously had a catalog cost of \$50,000. With the use of the CID, the resulting spectrum analyzer cost was reduced to \$14,777. On this single procurement, over 1100 units were purchased for a total contract cost saving in excess of \$38M. Use of CIDs simplifies the price quotation process and leads to more bidders, promoting increased competition among commercial suppliers. Also, CIDs are an excellent way to promote standardization of logistics support over product life cycles.

Bottom Line: These types of cost savings are achieved through competition using CIDs, standardization of electronic equipment and consolidated DOD inter-services high quantity purchases (doing it **better**).

Published by the Assistant Secretary of the Air Force (Acquisition) as of 1 Jun 96. For more on Air Force Acquisition, try our homepage at http://www.safaq.hq.af.mil/.